

I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | FISCAL NOTES | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | NOTES |
|---------------------|--------------------|---|---------------------|---------------|---------------|--------------|---------------------|-----------------------------|-------|
| 136-38 (COR) | Therese M. Terlaje | AN ACT TO AMEND P.L. 35-138 RELATIVE TO MODIFYING THE EFFECTIVE DATE OF THE TAX CREDITS FOR THE GUAM MEMORIAL HOSPITAL AUTHORITY. | 5/8/25 8:11 a.m. | | | | | | |

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session

Bill No. 136-38 (COR)

Introduced by:

Therese M. Terlaje 

**AN ACT TO AMEND P.L. 35-138 RELATIVE TO
MODIFYING THE EFFECTIVE DATE OF THE TAX
CREDITS FOR THE GUAM MEMORIAL HOSPITAL
AUTHORITY.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Findings and Intent.** *I Liheslaturan Guåhan* finds that on
3 January 15, 2021, Bill No. 301-35 was signed into law as Public Law (P.L.) 35-138.
4 This law established a tax credit program that would incentivize private sector
5 contribution of medical equipment to GMH by offering credits against Business
6 Privilege Taxes (BPT) not already pledged for any purpose by Guam law.

7 *I Liheslaturan Guåhan* finds that pursuant to §771103(a) of P.L. 35-138, the
8 total amounts of credits against unpledged business privilege taxes for medical
9 equipment needs of the GMHA authorized shall not exceed Five Million Dollars
10 **(\$5,000,000)** over a (5)-year period. However, since the passage of P.L. 35-138 in
11 2021, GMH has not yet utilized this tax credit program which is set to expire in 2026.

12 *I Liheslaturan Guåhan* finds that GMH testified in their FY2026 Budget
13 hearing on May 5, 2025, that there is an interested company that would like to donate
14 medical equipment but will not be able to make full use of P.L. 35-138 if the program

1 ends in 2026 and if *I Liheslaturan Guåhan* does not include the tax credit deduction
2 in the annual budget act of the Government of Guam.

3 *I Liheslaturan Guåhan* finds that pursuant to §771103(b) of P.L. 35-138, if,
4 at the expiration of the five (5)-year period authorize, there are still unclaimed
5 authorized credits then of *I Liheslaturan Guåhan* may, in its discretion, extend the
6 eligible period until such time that all eligible tax credits are exhausted.

7 *I Liheslaturan Guåhan* finds that the Governor’s Executive Budget Request
8 introduced as Bill No. 44-38 includes a One Million Dollar (**\$1,000,000**) tax credit
9 deduction under Chapter I Section 2(I)(A) for GMHA Medical Supplies. If this tax
10 credit is included in the final FY2026 Budget Act and the Tax Credit for the Guam
11 Memorial Hospital Authority program expires in 2026, then this will result in Four
12 Million Dollars (**\$4,000,000**) in unclaimed authorized credits for GMH medical
13 equipment.

14 Therefore, it is the intent of *I Liheslaturan Guåhan* to amend the effective date
15 of P.L. 35-138 to the start of FY2026 on October 1, 2025, to maximize the benefits
16 of the tax credit program and assist GMH in acquiring critical medical equipment.

17 **Section 2.** Section 3 of P.L. 35-138 is hereby amended to read:

18 “This Act shall be effective on October 1, ~~2024~~2025.”

19 **Section 3. Severability.** If any provision of this Act or its application to any
20 person or circumstance is found to be invalid or contrary to law, such invalidity shall
21 not affect other provisions or applications of this Act that can be given effect without
22 the invalid provision or application, and to this end the provisions of this Act are
23 severable.